

EX PARTE OR LATE FILED

EX PARTE

September 18, 1997

Mr. William F. Caton
Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

RECEIVED
SEP 18 1997
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RE: Ex Parte Notice -- CC Docket No. 96-45

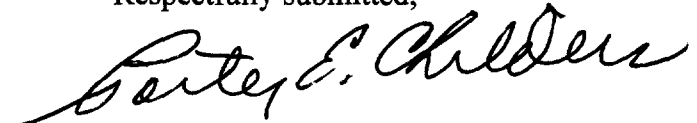
Dear Mr. Caton:

On September 18, 1997, Paula Eller, Linda Kent, and Porter Childers representing the United States Telephone Association (USTA) met with Tim Peterson, Lisa Boehley, Cheryl Leanza, George Williams, and Lori Wright of the Federal Communications Commission's Common Carrier Bureau.

The attached document was used during the discussion.

An original and a copy of USTA's *ex parte* filing are being filed in the Secretary's office on September 18, 1997. Please include this filing in the public record.

Respectfully submitted,



Porter E. Childers
Executive Director
Legal and Regulatory Affairs

Attachment

cc: Tim Peterson
Lisa Boehley
Cheryl Leanza
George Williams
Lori Wright



**CC DOCKET NO. 96-45
FEDERAL - STATE JOINT BOARD ON
UNIVERSAL SERVICE**

**USTA
EX PARTE
PRESENTATION**

SEPTEMBER 18, 1997

ISSUES

- **TOLL LIMITATION FOR QUALIFYING
LOW-INCOME CONSUMERS**
- **TOTAL CORPORATE OPERATIONS EXPENSES**

TOLL LIMITATION

- **DENOTES BOTH TOLL BLOCKING AND TOLL CONTROL**
 - **“TOLL BLOCKING” IS A SERVICE PROVIDED BY CARRIERS THAT LETS CONSUMERS ELECT NOT TO ALLOW THE COMPLETION OF OUTGOING TOLL CALLS FROM THEIR TELECOMMUNICATIONS CHANNEL**
 - **“TOLL CONTROL” IS A SERVICE PROVIDED BY CARRIERS THAT ALLOWS CONSUMERS TO SPECIFY A CERTAIN AMOUNT OF TOLL USAGE THAT MAY BE INCURRED ON THEIR TELECOMMUNICATIONS CHANNEL PER MONTH OR PER BILLING CYCLE**

TYPES OF TOLL CALLS (EXAMPLES)

- **DIRECT-DIAL**
- **OPERATOR ASSISTED**
- **COLLECT**
- **THIRD NUMBER**
- **DIRECTORY ASSISTANCE**
- **10 XXX OR CASUAL CALLING**



THE PROBLEMS

- **SOFTWARE MODIFICATIONS TOO EXPENSIVE FOR SMALL TELEPHONE COMPANIES**
- **EVEN WITH SOFTWARE, LECs CANNOT PERFORM RECORDING, RATING, AND MONITORING CAPABILITY**
- **ELAPSED TIME BETWEEN CALL COMPLETIONS AND THE ARRIVAL OF THE CALL RECORD AT BILLING ENTITY**
- **IXC DOES THE BILLING**
- **OUTSOURCES THE BILLING TO A THIRD PARTY**
- **VARIABLE OR UNKNOWN RATES**
- **AMOUNT OF SURCHARGE ON CALL**



TOTAL CORPORATE OPERATIONS EXPENSE

- **ACCOUNTS 6710, EXECUTIVE AND PLANNING
AND 6720, GENERAL AND ADMINISTRATIVE**
 - **EXECUTIVE**
 - **PLANNING**
 - **ACCOUNTING & FINANCE**
 - **EXTERNAL RELATIONS**
 - **HUMAN RESOURCES**
 - **INFORMATION MANAGEMENT**
 - **LEGAL**
 - **PROCUREMENT**
 - **RESEARCH & DEVELOPMENT**
 - **OTHER GENERAL &
ADMINISTRATIVE**



NEW CORPORATE OPERATIONS EXPENSE FUNCTIONS

- **FILING UNIVERSAL SERVICE WORKSHEET FCC FORM 457 WITH USAC (TWICE PER YEAR)**
- **PROVIDING USAC WITH DATA/INFORMATION ASSOCIATED WITH HIGH COST SUPPORT (I.E. LOCAL SWITCHING SUPPORT AND LONG-TERM SUPPORT)**
- **OBTAINING ELIGIBLE TELECOMMUNICATIONS CARRIER STATUS FROM STATE PUC**
- **CERTIFICATE TO THE FCC THAT CARRIERS MEET REQUIREMENTS OF RURAL TELEPHONE COMPANY**
- **PARTICIPATING IN FCC'S PROCEEDING ON THE DEVELOPMENT OF HIGH COST FOR RURAL TELEPHONE COMPANIES AFTER TRANSACTION PERIOD**

APPROACH

- **USTA URGES THE FCC TO RECONSIDER ITS DEFINITION OF TOLL LIMITATION TO DENOTE EITHER TOLL BLOCKING OR TOLL CONTROL.**
- **PERMIT MINIMUM OF \$300,000 OR TWO STANDARD DEVIATIONS**